



第一商業銀行

香港分行

First Commercial Bank Limited

Hong Kong Branch

Key Financial Information Disclosure Statement

For the half year ended 30 June 2014



**KEY FINANCIAL INFORMATION DISCLOSURE STATEMENT
FOR THE HALF YEAR ENDED 30 JUNE 2014**

<u>CONTENTS</u>	<u>PAGE(S)</u>
SECTION A. - INFORMATION OF THE BRANCH (INCLUDE HONG KONG BRANCH ONLY)	
I. Profit and loss information	1
II. Balance sheet information	2
III. Supplement financial information	
1. Trade bills and impairment allowances on trade bills	3
2. Advances and impairment allowances on advances	3~5
3. Debt securities held and other accounts	6~7
4. Off-balance sheet information	8
5. Gross advances to customers analysed and reported by loan usage	9~10
6. Cross-border claims disclosure	11
7. Non-bank Mainland China exposures	12
8. Foreign currency position	13
9. Liquidity ratio	13
IV. Other information	
1. Disclosure of remuneration	14
2. Liquidity risk management	14
3. Publication of key financial information disclosure statement on website	14
SECTION B. - INFORMATION OF THE BANK (CONSOLIDATED BASIS)	
I. Capital and capital adequacy ratio	15
II. Other financial information	15
DECLARATION	16



SECTION A. - INFORMATION OF THE BRANCH (INCLUDE H.K. BR. ONLY)

I. PROFIT AND LOSS INFORMATION

FOR THE HALF YEAR ENDED 30 JUNE 2014

Figures in HKD thousands

	For the six months ended 30 June	
	2014	2013
Interest Income	176,755	94,353
Interest Expense	<u>(74,868)</u>	<u>(32,925)</u>
Net interest income	101,887	61,428
Fee and commission income	22,372	18,911
Fee and commission expense	<u>(993)</u>	<u>(886)</u>
Net fee and commission income	21,379	18,025
Other operating income		
- Gains less losses arising from dealing in foreign currencies	2,282	2,455
- Net gains/(losses) on financial instruments designated at fair value through profit or loss	861	372
- Gains less losses on disposal of available-for-sale securities	-	-
- Others	<u>-</u>	<u>1,289</u>
	3,143	4,116
Total income	126,409	83,569
Operating expenses		
- Staff and rental expenses	(16,748)	(14,634)
- Other expenses	<u>(2,961)</u>	<u>(2,770)</u>
Total expenses	(19,709)	(17,404)
Profit before impairment allowances	106,700	66,165
Impairment losses written back/(charges) on loans and advances	(4,673)	(3,619)
Impairment losses on available-for-sale securities	<u>-</u>	<u>-</u>
Profit before taxation	102,027	62,546
Taxation charge	-	-
Profit after taxation	<u>102,027</u>	<u>62,546</u>

Notes:

1. The accounting policies adopted by the Bank, are consistent with those applied in the previous financial year.
2. Comparative figures
Certain comparative figures have been reclassified to conform with the financial statements presentation adopted in current period.



第一商業銀行

First Commercial Bank

香港分行

Hong Kong Branch

II. BALANCE SHEET INFORMATION

AS AT 30 JUNE 2014

Figures in HKD thousands

	<u>30-Jun-2014</u>	<u>31-Dec-2013</u>
<u>ASSETS</u>		
Cash and balances with banks (except those included in amount due from overseas offices)	3,222,426	2,908,561
Placement with banks and other financial institutions maturing between one and twelve months (except those included in amount due from overseas offices)	1,244,501	714,582
Amount due from overseas offices	348,780	111,752
Trade bills less impairment allowances	268,449	8,062
Loans and advances less impairment allowances	7,089,507	6,460,537
Certificates of deposit held	426,283	426,459
Available-for-sale debt securities less impairment allowances	1,093,922	1,083,783
Held-to-maturity debt securities	-	-
Other assets		
- Accrued interest	39,670	23,687
- Other accounts	41,540	54,298
Property, plant and equipment	2,076	2,272
Total assets	<u>13,777,154</u>	<u>11,793,993</u>
<u>LIABILITIES</u>		
Deposits and balances of banks and other financial institutions (except those included in amount due to overseas offices)	1,645,313	768,700
Current, fixed, savings and other deposits from customers		
- Demand deposits and current accounts	270,157	271,265
- Savings deposits	4,796,466	5,015,980
- Time deposits	5,193,208	4,679,767
- Structured deposits	16,352	17,308
Amount due to overseas offices	872,108	179,819
Other accounts and provisions	77,606	57,237
Total liabilities	<u>12,871,210</u>	<u>10,990,076</u>
Reserves and current profit/(loss)	<u>905,944</u>	<u>803,917</u>
Total equity and liabilities	<u>13,777,154</u>	<u>11,793,993</u>



III. SUPPLEMENTARY FINANCIAL INFORMATION

Figures in HKD thousands

1. TRADE BILLS AND IMPAIRMENT ALLOWANCES ON TRADE BILLS

	As at	
	30-Jun-2014	31-Dec-2013
Trade bills	268,472	8,143
Collective impairment allowances	(23)	(81)
Gross trade bills less impairment allowances	<u>268,449</u>	<u>8,062</u>

2. ADVANCES AND IMPAIRMENT ALLOWANCES ON ADVANCES

A. Advances to customers and impairment allowances on advances to customers

	As at	
	30-Jun-2014	31-Dec-2013
Advances to customers	7,091,626	6,363,050
Advances to banks and other financial institutions	72,000	165,553
Total	<u>7,163,626</u>	<u>6,528,603</u>
Collective impairment allowances	(71,637)	(65,286)
Individual impairment allowances	(2,482)	(2,780)
Total	<u>(74,119)</u>	<u>(68,066)</u>
Gross advances less impairment allowances	<u>7,089,507</u>	<u>6,460,537</u>
Allowances as a percentage of gross advances		
- Collective impairment allowances	1.00%	1.00%
- Individual impairment allowances	0.03%	0.04%
Total allowances	<u>1.03%</u>	<u>1.04%</u>

B. Impairment allowances

	Individual impairment allowances	Collective impairment allowances	Total
<u>Balance as at 30 Jun 2014</u>			
- Advances to customers	2,482	70,916	73,398
- Advances to banks and other financial institutions	-	721	721
	<u>2,482</u>	<u>71,637</u>	<u>74,119</u>
<u>Balance as at 31 Dec 2013</u>			
- Advances to customers	2,780	63,630	66,410
- Advances to banks and other financial institutions	-	1,656	1,656
	<u>2,780</u>	<u>65,286</u>	<u>68,066</u>



III. SUPPLEMENTARY FINANCIAL INFORMATION - *continued*

Figures in HKD thousands

2. ADVANCES AND IMPAIRMENT ALLOWANCES ON ADVANCES - *continued*

C. Impaired advances to customers

	As at	
	<u>30-Jun-2014</u>	<u>31-Dec-2013</u>
- Gross impaired advances to customers	7,714	9,079
- Individual impairment allowances	<u>(2,482)</u>	<u>(2,780)</u>
Total	<u>5,232</u>	<u>6,299</u>
Market value of collateral pledged	<u>0</u>	<u>0</u>
Covered portion of impaired advances	<u>0</u>	<u>0</u>
Uncovered portion of impaired advances	<u>7,714</u>	<u>9,079</u>
Gross impaired advances as a percentage of gross advances to customers	<u>0.11%</u>	<u>0.14%</u>
Individual impairment allowances as a percentage of gross impaired advances	<u>32.18%</u>	<u>30.62%</u>

There were no impaired advances to banks and other financial institutions; nor were there any individual impairment allowances made for them as at 30 June 2014 and 31 December 2013.



III. SUPPLEMENTARY FINANCIAL INFORMATION - *continued*

Figures in HKD thousands

2. ADVANCES AND IMPAIRMENT ALLOWANCES ON ADVANCES - *continued*

D. Overdue and rescheduled advances to customers

	As at	
	30-Jun-2014	31-Dec-2013
a. Advances to customers overdue for		
more than 1 month and up to 3 months	-	-
more than 3 months and up to 6 months	-	-
more than 6 months and up to 1 year	-	-
more than 1 year	-	-
	<u>0</u>	<u>0</u>
Individual impairment allowances made in respect of the above overdue advances	<u>0</u>	<u>0</u>
Market value of collateral held against the covered portion of all overdue advances	<u>0</u>	<u>0</u>
Covered portion of all overdue advances	<u>0</u>	<u>0</u>
Uncovered portion of all overdue advances	<u>0</u>	<u>0</u>
b. Rescheduled advances to customers	<u>7,714</u>	<u>9,046</u>
(Net of those overdue advances which have been disclosed in above)		

	As a percentage of total gross advances to customers	
	30-Jun-2014	31-Dec-2013
	Percentage (%)	Percentage (%)
c. Advances to customers overdue for		
more than 1 month and up to 3 months	-	-
more than 3 months and up to 6 months	-	-
more than 6 months and up to 1 year	-	-
more than 1 year	-	-
	<u>0.00</u>	<u>0.00</u>
d. Rescheduled advances to customers	<u>0.11</u>	<u>0.14</u>

E. Reconciliation for advances to customer between overdue advances and impaired advances is as follows:

	30-Jun-2014	31-Dec-2013
Advances to customers overdue for more than 3 months	-	-
Less: loans overdue but not impaired	-	-
Add: overdue loans for 3 months or less and on which interest is being placed in suspense or interest ceased to accrue	-	-
Add: impaired loans overdue for 3 months or less or not yet overdue and on which is still being accrued	<u>7,714</u>	<u>9,079</u>
Total impaired advances	<u>7,714</u>	<u>9,079</u>

There were no advances to banks and other financial institutions which were overdue or rescheduled as at 30 June 2014 and 31 December 2013.

F. Repossessed assets

As at 30 June 2014 and 31 December 2013, there were no repossessed assets held by our bank.



III. SUPPLEMENTARY FINANCIAL INFORMATION - *continued*

Figures in HKD thousands

3. DEBT SECURITIES HELD AND OTHER ACCOUNTS

A. Available-for-sale securities

	As at	
	30-Jun-2014	31-Dec-2013
Government Bonds (including Hong Kong Exchange Fund Bills)	50,036	50,016
Floating rate notes	-	116,625
Debt securities	1,043,886	917,142
Total	1,093,922	1,083,783
Issued by:		
Government organization	50,036	50,016
Banks	-	116,625
Other financial institutions	291,861	286,124
Corporate entities	752,025	631,018
Total	1,093,922	1,083,783
Impairment allowances	-	-
Available-for-sale securities less impairment allowances	1,093,922	1,083,783
Impairment allowances as a percentage of Available-for-sale securities	0.00%	0.00%

B. Held-to-maturity securities

	As at	
	30-Jun-2014	31-Dec-2013
Debt securities	-	-
Issued by:		
Other financial institutions outside Hong Kong	-	-

C. Overdue or impaired securities

<u>Balance as at 30 Jun 2014</u>	Available-for-sale securities	Held-to-maturity securities	Individual impairment allowances
- Neither overdue nor impaired	1,093,922	-	-
- Non-overdue but impaired	-	-	-
- Overdue and impaired	-	-	-
Total	1,093,922	0	0
 <u>Balance as at 31 Dec 2013</u>	 Available-for-sale securities	 Held-to-maturity securities	 Individual impairment allowances
- Neither overdue nor impaired	1,083,783	-	-
- Non-overdue but impaired	-	-	-
- Overdue and impaired	-	-	-
Total	1,083,783	0	0



III. SUPPLEMENTARY FINANCIAL INFORMATION - *continued*

Figures in HKD thousands

3. DEBT SECURITIES HELD AND OTHER ACCOUNTS - *continued*

D. Other accounts

	As at	
	<u>30-Jun-2014</u>	<u>31-Dec-2013</u>
Outward cheques receivable	9,343	11,420
Deferred tax asset	18,671	18,671
Evaluation adjustment on Available-for-sale securities	5,537	19,642
Other accounts	<u>7,989</u>	<u>4,565</u>
Total	41,540	54,298



III. SUPPLEMENTARY FINANCIAL INFORMATION - *continued*

Figures in HKD thousands

4. OFF-BALANCE SHEET INFORMATION

A. Contingent liabilities and commitments

The following is a summary of the contractual amounts of each significant class of contingent liabilities and commitments:

	As at	
	<u>30-Jun-2014</u>	<u>31-Dec-2013</u>
Direct credit substitutes	37,377	29,837
Trade-related contingencies		
- Customer's liabilities under letter of credit	42,835	24,165
- Customer's liabilities under guarantee	-	-
- Customer's liabilities under acceptance	16,138	2,616
Forward forward deposits placed	-	-
Other commitments		
- Other commitments with an original maturity of not more than one year	1,060,362	935,946
- Other commitments with an original maturity of more than one year	15,717	81,003
	<u>1,172,429</u>	<u>1,073,567</u>

B. Derivative financial instruments

	Contract / notional amount	Contract / notional amount
Exchange rate contracts		
- Spot and forwards	13,036	26,361
- Swaps	163,309	156,087
- Options purchased	418,875	203,297
- Options written	418,875	203,297
	<u>1,014,095</u>	<u>589,042</u>

Replacement Costs of Derivatives (of the above derivatives)

	Replacement costs	Replacement costs
Exchange rate contracts		
- Spot and forwards	-	4
- Swaps	20	165
- Options purchased	4,819	1,505
- Options written	4,687	1,429
	<u>9,526</u>	<u>3,103</u>

For contingent liabilities and commitments, the contract amounts represent the amounts at risk should the contract be fully drawn upon and the client default. Since a significant portion of guarantees and commitments is expected to expire without being drawn upon, the total of the contract amount is not representative of future liquidity requirements. The replacement costs represent the cost of replacing all contracts which have a positive value when marked to market. They do not take into account the effects of bilateral netting arrangements.



III. SUPPLEMENTARY FINANCIAL INFORMATION - *continued*

Figures in HKD thousands

5. GROSS ADVANCES TO CUSTOMERS ANALYSED AND REPORTED BY LOAN USAGE

The following information concerning advances to customers by industry sectors has been classified in accordance with industry categories contained in the banking returns of Quarterly Analysis of Loans and Advances and the Provisions (MA(BS)2A) and Assets and Liabilities of an Authorised Institution (MA(BS)1) submitted to the Hong Kong Monetary Authority.

A. By loan usage

1. Loan for use in Hong Kong	<u>As at 30 Jun 2014</u>		<u>As at 31 Dec 2013</u>	
	Outstanding balance	Balance covered by collateral	Outstanding balance	Balance covered by collateral
a. Industrial, commercial and financial				
- Property development	367,954	136,942	388,001	134,945
- Property investment	991,231	707,295	973,508	765,732
- Financial concerns	1,218,778	85,353	995,793	69,861
- Wholesale and retail trade	101,429	24,353	157,595	24,981
- Manufacturing	590,318	43,798	798,357	59,510
- Transport and transport equipment	168,456	124,758	174,760	131,230
- Electricity and gas	-	-	-	-
- Information technology	-	-	-	-
- Others	204,358	2,842	204,522	2,923
b. Individuals				
- Loans for the purchase of other residential properties	34,442	34,442	35,427	35,427
- Others	29,976	23,397	24,192	24,192
c. Others	-	-	-	-
	<u>3,706,942</u>	<u>1,183,180</u>	<u>3,752,155</u>	<u>1,248,801</u>
2. Trade finance	115,454	31,439	109,838	35,786
3. Loan for use outside Hong Kong	<u>3,269,230</u>	<u>798,660</u>	<u>2,501,057</u>	<u>649,503</u>
Total	<u>7,091,626</u>	<u>2,013,279</u>	<u>6,363,050</u>	<u>1,934,090</u>



III. SUPPLEMENTARY FINANCIAL INFORMATION - *continued*

Figures in HKD thousands

5. GROSS ADVANCES TO CUSTOMERS ANALYSED AND REPORTED BY LOAN USAGE- *continued*

B. Analysis of impaired advances for the individual loan usage category:

	<u>As at 30 Jun 2014</u>		<u>As at 31 Dec 2013</u>	
	Impaired advances	Individual impairment allowances	Impaired advances	Individual impairment allowances
- Manufacturing	6,645	2,169	7,105	2,279
- Loan for use outside Hong Kong	1,069	313	1,974	501
	<u>7,714</u>	<u>2,482</u>	<u>9,079</u>	<u>2,780</u>

C. By geographical area

After taking into account the transfer of risk, exposures to a single country exceeding 10% of the aggregate gross advances to customers which are disclosed as follows:

<u>As at 30 Jun 2014</u>	Outstanding balance	Advances overdue for over three months	Impaired advances	Individual impairment allowances
- Hong Kong	3,840,723	-	3,169	1,528
- Taiwan	476,110	-	4,545	954
- China	2,772,677	-	-	-
- Others	2,116	-	-	-
	<u>7,091,626</u>	<u>0</u>	<u>7,714</u>	<u>2,482</u>

<u>As at 31 Dec 2013</u>	Outstanding balance	Advances overdue for over three months	Impaired advances	Individual impairment allowances
- Hong Kong	3,656,459	-	3,812	1,703
- Taiwan	463,994	-	5,267	1,077
- China	2,217,428	-	-	-
- Others	25,169	-	-	-
	<u>6,363,050</u>	<u>0</u>	<u>9,079</u>	<u>2,780</u>



III. SUPPLEMENTARY FINANCIAL INFORMATION - *continued*

Figures in HKD millions

6. CROSS-BORDER CLAIMS DISCLOSURE

The following tables analyse cross-border claims by types of counterparties. Country or geographical classification is based upon the locations of counterparties after taking into account the transfer of country risk. They are prepared in according with the HKMA banking return of "Cross-broder Claims" completion instructions. Countries or geographical areas constituting 10% or more of the total cross-border claims are disclosed.

<u>As at 30 Jun 2014</u>	<u>Banks</u>	<u>Public Sector Entities</u>	<u>Others</u>	<u>Total</u>
Asia Pacific excluding Hong Kong	4,623	-	4,189	8,812
- <i>Of which</i> -				
China	3,557	-	3,493	7,050
Taiwan	970	-	694	1,664
Rest of Asia Pacific	96	-	2	98
Others	157	-	-	157
Total	<u>4,780</u>	<u>0</u>	<u>4,189</u>	<u>8,969</u>

<u>As at 31 Dec 2013</u>	<u>Banks</u>	<u>Public Sector Entities</u>	<u>Others</u>	<u>Total</u>
Asia Pacific excluding Hong Kong	3,937	-	3,654	7,591
- <i>Of which</i> -				
China	2,376	-	2,945	5,321
Taiwan	1,329	-	684	2,013
Rest of Asia Pacific	232	-	25	257
Others	153	-	-	153
Total	<u>4,090</u>	<u>0</u>	<u>3,654</u>	<u>7,744</u>

* The aggregate gross amount of exposure to related foreign offices are excluded in the Taiwan area as disclosed in above.



III. SUPPLEMENTARY FINANCIAL INFORMATION - *continued*

Figures in HKD millions

7. NON-BANK MAINLAND CHINA EXPOSURES

Non-bank counterparties are identified in accordance with the definitions set out in the banking return of "Quarterly Analysis of Loans and Advances and Provisions" issued by the HKMA. Exposures in Mainland China arising from non-bank counterparties are summarised as follows:

As at 30 Jun 2014

	<u>On-balance sheet exposures</u>	<u>Off-balance sheet exposures</u>	<u>Total exposures</u>	<u>Individually assessed impairment allowances</u>
China government owned entities	1,819	-	1,819	-
Mainland China entities	380	-	380	-
Companies and individuals outside Mainland China where the credit is granted for use in Mainland China	1,379	225	1,604	-
Other non-bank Mainland China exposures	41	-	41	-
Total	<u>3,619</u>	<u>225</u>	<u>3,844</u>	<u>0</u>

As at 31 Dec 2013

	<u>On-balance sheet exposures</u>	<u>Off-balance sheet exposures</u>	<u>Total exposures</u>	<u>Individually assessed impairment allowances</u>
China government owned entities	1,534	-	1,534	-
Mainland China entities	446	-	446	-
Companies and individuals outside Mainland China where the credit is granted for use in Mainland China	1,178	175	1,353	-
Other non-bank Mainland China exposures	49	11	60	-
Total	<u>3,207</u>	<u>186</u>	<u>3,393</u>	<u>0</u>



III. SUPPLEMENTARY FINANCIAL INFORMATION - *continued*

Figures in HKD millions

8. FOREIGN CURRENCY POSITION

The foreign currency exposures are prepared in accordance with the HKMA banking return of "Foreign Currency Position" completion instructions. The net position in foreign currencies are disclosed as follows:

As at 30 Jun 2014								
Currency	USD	GBP	JPY	EUR	CNY	AUD	Other foreign currencies	Total
Spot assets	7,940	-	178	63	3,314	26	11	11,532
Spot liabilities	(8,010)	-	(178)	(64)	(3,206)	(32)	(11)	(11,501)
Forward purchases	124	-	-	1	11	13	-	149
Forward sales	(52)	-	-	-	(117)	(7)	-	(176)
Net option position	-	-	-	-	-	-	-	-
Net long (short) position	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>4</u>
As at 31 Dec 2013								
Currency	USD	GBP	JPY	EUR	CNY	AUD	Other foreign currencies	Total
Spot assets	7,027	-	188	62	2,414	33	20	9,744
Spot liabilities	(7,086)	-	(188)	(61)	(2,412)	(49)	(21)	(9,817)
Forward purchases	122	-	1	-	-	34	1	158
Forward sales	(61)	-	(1)	-	-	(17)	(1)	(80)
Net option position	-	-	-	-	-	-	-	-
Net long (short) position	<u>2</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>2</u>	<u>1</u>	<u>(1)</u>	<u>5</u>

There were no foreign currency structural position as at the above respective reporting dates.

9. LIQUIDITY RATIO

AVERAGE LIQUIDITY RATIO

The average liquidity ratio for the period

For the six months ended 30 June

<u>2014</u>	<u>2013</u>
Percentage (%)	Percentage (%)
<u>45.68</u>	<u>43.23</u>

The Branch's average liquidity ratio for the period is the simple average of each calendar month's average liquidity ratio, which is computed in accordance with the Fourth Schedule to the Hong Kong Banking Ordinance.



IV. OTHER INFORMATION

1. DISCLOSURE OF REMUNERATION

A. Remuneration system

The reward system of our Branch is designed and reviewed by our Head Office. The basis of determining the emoluments payable by the Branch to senior management is mainly by reference to the level of emoluments normally paid by comparable banks and employees' performance. Total compensation comprises a fixed component, allowance and benefits. The reward to be expensed as cash settled, no award as shared-based compensation plan.

B. Remuneration of Senior Management

For the six months ended 30 June

	<u>2014</u>	<u>2013</u>
	HKD '000	HKD '000
Persons	9	8
Basic salaries, allowances and benefits	3,872	3,729
Variable remuneration	-	-
Deferred remuneration	-	-

2. LIQUIDITY RISK MANAGEMENT

A. Policy Statement of Liquidity Risk Management

- The purpose of liquidity risk management is to ensure our abilities with sufficient cash flows to meet obligations payable to our customers and interbank counterparties. And our Branch should always hold an adequate quantity of high quality liquid assets in order to handle the situation of liquidity shortfalls.
- Our Branch obeys "Asset/Liability Management Policy and Procedure", "Liquidity Management Policy", "Contingency Funding Plan" and other related regulations from our Head Office to manage the liquidity risk.
- Our Branch manages the liquidity on a prudent basis to ensure that we can always maintain a sufficiently high liquidity ratio relative to the statutory minimum. Additionally, the internal limit of liquidity ratio on average for each month and the month-end liquidity ratio are both set at 35% in order for the Branch to retain sufficient liquidity during its normal course of operation.

B. Management Mechanism of Liquidity Risk Management

- Assets and Liability Committee ("ALCO") is mainly responsible for the liquidity risk management in our Branch.
- The General Manager of our Branch is the chairman of ALCO, or in his absence, the General Manager (C.E.) could designate A.C.E. in our Branch as alternate General Manager. The other attendance members in ALCO at least include the Department Heads from Deposits, Loans, Treasury and Accounting Department. Otherwise, the General Manager could designate any other staff to attend at the ALCO in need.

3. PUBLICATION OF KEY FINANCIAL INFORMATION DISCLOSURE STATEMENT ON WEBSITE

The Disclosure Statement of the Branch will be published on the website of the Bank (<http://www.firstbank.com.tw>) in due course. Users can download from the Bank's website for free.



SECTION B. - INFORMATION OF THE BANK (CONSOLIDATED BASIS)

I. CAPITAL AND CAPITAL ADEQUACY RATIO

A. Capital adequacy ratio

	<u>30-Jun-2014</u>	<u>31-Dec-2013</u>
	Percentage (%)	Percentage (%)
	Basel III basis	Basel III basis
	Audited	Audited
Common Equity Tier 1 capital ratio	8.64	8.31
Tier 1 capital ratio	8.64	8.31
Total capital ratio	<u>10.88</u>	<u>10.90</u>

Starting from 2013, the capital adequacy ratios of the Bank are compiled in accordance with the amended Capital Rules effective from 1 January 2013 for the implementation of the "Basel III" capital accord.

B. Aggregate amount of shareholders' funds

<u>30-Jun-2014</u>	<u>31-Dec-2013</u>
HKD '000	HKD '000
<u>36,257,081</u>	<u>34,234,156</u>

II. OTHER FINANCIAL INFORMATION

Figures in HKD thousands

	<u>30-Jun-2014</u>	<u>31-Dec-2013</u>
Total assets	<u>586,636,593</u>	<u>570,269,142</u>
Total liabilities	<u>550,379,512</u>	<u>536,034,986</u>
Total advances	<u>381,700,891</u>	<u>374,813,620</u>
Total customer deposit	<u>457,217,489</u>	<u>448,865,386</u>
	<u>Half-year to</u>	<u>Half-year to</u>
	<u>30-Jun-2014</u>	<u>30-Jun-2013</u>
Profit/(Loss) before taxation	<u>2,265,148</u>	<u>1,917,780</u>



Declaration

According to the requirement of the Hong Kong Monetary Authority on Key Financial Information Disclosure Statement of authorized institutions incorporated outside Hong Kong, we have pleasure in presenting the Key Financial Information Disclosure Statements of First Commercial Bank Limited, Hong Kong Branch for the half year ended 30 June 2014. We confirmed that the information contained therein complies, in all material respects, with the supervisory policy manual CA-D-1 "Guideline on the Application of the Banking (Disclosure) Rules" issued in May 2007, and to the best of my knowledge and belief, it is not false or misleading.

A handwritten signature in cursive script, reading "Chien-hao Lin".

General Manager (Lin Chien Hao)
First Commercial Bank Limited
Hong Kong Branch

18 September 2014

Date